
Global Project Authorization

Q. Doesn't this new license impede our ability to protect our National Security?

A. No, to the contrary DoD believes that interoperability and technology exchange with our allies is essential for US national security. Coalition warfare and regional ally military capability depend on this exchange.

Increasingly, European defense industrial trends are moving away from interoperability and towards European self-sufficiency, without U.S. business relationships and thus without political relationships.

The current US export control system is a major impediment towards achieving interoperability. Governments and industries must work together, across the oceans, from the beginning of a program in order for all of us to acquire interoperable equipment. International agreements to carry out cooperative programs for research, development, production, test, and evaluation of defense systems, subsystems, or technologies support strongly this imperative.

Establishment of one-touch Global Project Licensing for exports to MOU partners will free up critical security and export license reviewing assets to focus on areas and transactions of greater security concern. The new Global Project License is an additional step in furthering our national interests and protecting our security.

Q. Who can utilize a GPL?

A. Companies that are eligible to participate are typically those that are selected by DoD or the MOD, and meet standard administrative requirements under the ITAR (e.g., registration, etc.). Essentially any contractor working in support of a cooperative program for the research, development, production, test, and evaluation of defense systems, subsystems, or technologies pursuant to a valid International Agreement between the DoD and a foreign MoD may apply for a GPL.

Global Project Authorization

Q. We understand DoD has made significant progress in reducing export licensing processing times. Isn't that sufficient?

A. DoD has made significant progress in reforming our internal processes to reduce the time to perform license technology reviews while simultaneously increasing security. But, we plan to do even better. We are working to further reduce average processing times to less than 10 days. These reductions can only happen with improved processes and the proper allocation of resources. GPL is just one of many process improvements we are implementing that offer the opportunity to more properly allocate our resources and enhance industrial responsiveness while contributing to improved security.

Q. How does the so-called "box" get "drawn"?

A. After the international agreement/MOU is concluded, DoD's acquisition professionals will prepare a set of standard terms and conditions that will apply to all phases and activities identified in the MOU. The standard terms and conditions will be informed by the MOU and the various program guidance documents (e.g., technology assessment/control plan, delegation of disclosure letter, etc.). They will be organized into various categories by program phase (i.e., research, development, production, etc.) and by system/subsystem (i.e., airframe, engines, avionics, etc.). These standard terms and conditions will then be provided to the Department of State and to all U.S. private entities identified by DoD as participating in the program. Each of these companies would be free to apply for this type of authorization for all exports within the parameters of the government program and in support of the project.

Q. Won't we reduce our ability to control the subsequent retransfer of technology?

A. No, GPL authorizations will be consistent with all other applicable requirements of the ITAR, including requirements for Non-Transfer and Use Certificates.

MOU's typically contain provisions addressing the end-user, end-use and retransfer restrictions for transferred defense articles, services and technical data. The requirement for obtaining non-transfer and use assurances from a foreign government signatory to the MOU is satisfied by signature of the MOU. Re-

Global Project Authorization

exports of defense articles under GPL are authorized only between or among approved foreign end-users. All other retransfers or re-exports are prohibited.

Applications for this type of comprehensive authorization will identify a list of potential freight forwarders, intermediate consignees and end users. Eligible end users must be limited to government agencies of MOU signatory countries and companies incorporated in and subject to the laws of MOU signatory countries. Foreign persons having access to US-origin defense articles under this authorization must be citizens of MOU signatory countries, unless they are employed by eligible end-users and are specifically identified to and approved by ODTC under this authorization or an amendment thereto. Subsequent amendment of the approved list of freight forwarders, intermediate consignees or end users may only be accomplished by specific request to ODTC. Such request must be approved in writing prior to any exports or re-exports.